

Bond Purchase Agreement

[BPA Date]

Mayor Patrick H. Hays
City of North Little Rock
300 Main Street
North Little Rock, Arkansas 72114

[Principal Amount]
City of North Little Rock, Arkansas
Electric System Capital Improvement Revenue Bonds, Series 2011

Dear Mayor Hays:

The undersigned (the “Underwriter”) offers to enter into this Bond Purchase Agreement (this “Bond Purchase Agreement”) with the City of North Little Rock, Arkansas (the “Issuer”) which, upon the Issuer’s acceptance of this offer, will be binding upon the Issuer and the Underwriter. Terms not otherwise defined herein shall have the same meanings as set forth in the Indenture described below.

This offer is made subject to your acceptance of this Bond Purchase Agreement on or before 12:00 midnight, [BPA Date].

1. Upon the terms and conditions and in reliance upon the respective representations, warranties, and covenants herein, the Underwriter hereby agree to purchase from the Issuer, and the Issuer hereby agrees to sell to the Underwriter, all (but not less than all) of [Principal Amount] City of North Little Rock, Arkansas Electric System Capital Improvement Revenue Bonds, Series 2011 (the “Bonds”), at the purchase price (the “Purchase Price”) of \$_____ (equal to the par amount of the Bonds [plus net reoffering premium / less net reoffering discount of \$_____ and] less underwriter’s discount of \$_____), plus accrued interest from May 1, 2011.

The Bonds shall be issued by the Issuer pursuant to the provisions of the Constitution and laws of the State of Arkansas (the “State”), including particularly the Local Government Capital Improvement Revenue Bond Act of 1985, as amended, Ark. Code Ann. §§ 14-164-401 *et seq.* (the “Act”), shall be secured under and pursuant to a Trust Indenture, dated as of May 1, 2011 (the “Indenture”), by and between the Issuer and [Trustee], as trustee (the “Trustee”), and shall have the maturities and interest rates and be subject to redemption as set forth in the Final Official Statement (as hereinafter defined) and in Exhibit A attached hereto.

The Bonds are being issued for the purpose of financing capital improvements to the Issuer’s electric generation, transmission, and distribution system (the “System”) consisting generally of (a) acquisition, construction, and equipping of a new substation in the Galloway area near Interstate 40; (b) acquisition of and improvements to an office building for the electric department; (c) improvements to the intake cleaning system at the City’s hydroelectric energy station; and (d) acquisition and installation of smart meters, a digital radio system, and a SCADA system; and (e)

other repairs and improvements to the System (the “Project”); providing for a debt service reserve; and paying the costs of issuing the Bonds.

The Bonds will be secured by a lien on System revenues which is on a parity of lien, pledge, and security with the City’s outstanding Electric System Refunding Revenue Bonds, 1992 Series A, and Electric System Refunding Revenue Bonds, Series 1997 (collectively, the “Prior Bonds”).

2. The Underwriter agrees to make a bona fide public offering of all of the Bonds at the offering prices set forth on the cover of the Final Official Statement described below.

3. (a) The Issuer agrees to deliver to the Underwriter, at such addresses as the Underwriter shall specify, as many copies of the Official Statement, dated _____, 2011, relating to the Bonds (as supplemented and amended from time to time, the “Final Official Statement”) as the Underwriter shall reasonably request as necessary to comply with paragraph (b)(4) of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the “Rule”) and with Rules G-32 and G-36 and all other applicable rules of the Municipal Securities Rulemaking Board. The Issuer agrees to deliver such Final Official Statements within seven business days after the execution hereof.

(b) The Issuer hereby authorizes and approves the Preliminary Official Statement dated _____, 2011, and the Final Official Statement (the Final Official Statement, the Preliminary Official Statement, and any amendments or supplements that may be authorized for use with respect to the Bonds are herein referred to collectively as the “Official Statement”) and consents to their distribution and use by the Underwriter and authorizes the execution of the Final Official Statement by a duly authorized officer of the Issuer.

(c) The Underwriter shall give notice to the Issuer on the date after which no participating underwriter, as such term is defined in the Rule, remains obligated to deliver Final Official Statements pursuant to paragraph (b)(4) of the Rule.

4. The Issuer represents and warrants to the Underwriter that:

(a) The Issuer is a political subdivision of the State and is duly organized and existing under the Constitution and laws of the State. The Issuer is authorized by the provisions of the Act, among other things, (i) to issue its Bonds to finance the costs of the Project and (ii) to secure the Bonds with a lien upon and a pledge of its revenues (the “Revenues”) received by the Issuer from its wastewater collection and electric generation, transmission and distribution system (the “System”) pursuant to the Indenture. The pledge of the Revenues to payment of the Bonds is on a parity of lien, pledge, and security with the City’s outstanding Prior Bonds.

(b) The Issuer has the full legal right, power, and authority (i) to adopt the ordinance adopted on March 15, 2011, by its City Council authorizing the issuance of and sale of the Bonds (the “Ordinance”), (ii) to enter into this Bond Purchase Agreement, the Continuing Disclosure Agreement (as hereinafter defined), and the Indenture (collectively, the “Issuer Documents”), (iii) to issue, sell, and deliver the Bonds to the Underwriter as provided herein, and (iv) to carry out and consummate all other transactions contemplated by each of the aforesaid documents. The Issuer has

complied with all provisions of applicable law, including the Act and the Ordinance, in all matters relating to such transactions.

(c) The Issuer has duly authorized (i) the execution and delivery of the Bonds and the execution, delivery, and due performance of this and the Issuer Documents, (ii) the distribution and use of the Preliminary Official Statement and the delivery and distribution of the Final Official Statement, and (iii) the taking of any and all such action as may be required on the part of the Issuer to carry out, give effect to, and consummate the transactions contemplated by such instruments. All consents or approvals necessary to be obtained by the Issuer in connection with the foregoing have been received, and the consents or approvals so received are still in full force and effect.

(d) The Ordinance has been duly adopted by the Issuer, is in full force and effect, and constitutes the legal, valid, and binding act of the Issuer; the Issuer Documents, when executed and delivered, will constitute legal, valid, and binding obligations of the Issuer; and the Ordinance and the Issuer Documents are enforceable against the Issuer in accordance with their respective terms, except as enforceability thereof may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights generally.

(e) When delivered to the Underwriter, the Bonds will have been duly authorized, executed, authenticated, issued, and delivered and will constitute legal, valid, and binding obligations of the Issuer in conformity with the laws of the State, including the Act and the Ordinance, and will be entitled to the benefit and security of the Indenture.

(f) The information relating to the Issuer, the Revenues, the System, and the Project contained in the Preliminary Official Statement is, and as of the date of Closing such information in the Final Official Statement will be, true and correct in all material respects, and the Preliminary Official Statement does not and the Final Official Statement will not contain any untrue or misleading statement of a material fact relating to the Issuer, the Revenues, or the Project or omit to state any material fact relating to the Issuer, the Revenues, or the Project necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(g) If, at any time prior to the earlier of (i) receipt of notice from the Underwriter pursuant to Section 3(c) hereof that Final Official Statements are no longer required to be delivered under the Rule or (ii) 90 days after the Closing, any event occurs with respect to the Issuer as a result of which the Preliminary Official Statement or the Final Official Statement as then amended or supplemented might include an untrue statement of a material fact, or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Issuer shall promptly notify the Underwriter in writing of such event. Any information supplied by the Issuer for inclusion in any amendments or supplements to the Preliminary Official Statement or Final Official Statement will not contain any untrue or misleading statement of a material fact relating to the Issuer or omit to state any material fact relating to the Issuer necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(h) Neither the adoption of the Ordinance, the execution and delivery of the Bonds and the Issuer Documents, the charge or pledge of the Revenues, nor the consummation of the transactions contemplated herein or therein or the compliance with the provisions hereof or thereof will conflict

with, or constitute on the part of the Issuer a violation of, or a breach of or default under, (i) any statute, indenture, mortgage, commitment, note, or other agreement or instrument to which the Issuer is a party or by which it is bound, (ii) any provision of the State Constitution, or (iii) any existing law, rule, regulation, ordinance, judgment, order, or decree to which the Issuer (or the members of the City Council or any of its officers in their respective capacities as such) is subject.

(i) Except as is specifically disclosed in the Official Statement, there is no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court, public board, or body, pending or, to the best knowledge of the Issuer, threatened, which in any way questions the powers of the Issuer referred to in paragraph (b) above, or the validity of any proceeding taken by the Issuer in connection with the issuance of the Bonds, or wherein an unfavorable decision, ruling, or finding could materially adversely affect the transactions contemplated by this Bond Purchase Agreement or of any other document or instrument required or contemplated by this financing, or which, in any way, could adversely affect the validity or enforceability of the Ordinance, the Issuer Documents, the charge or pledge of the Revenues, or the Bonds or, to the knowledge of the Issuer, which in any way questions the tax-exempt status of the Issuer or the exclusion from gross income of the recipients thereof of the interest on the Bonds for federal income tax purposes or in any other way questions the status of the Bonds under federal or State tax laws or regulations.

(j) Any certificate signed by any official of the Issuer and delivered to the Underwriter shall be deemed a representation and warranty by the Issuer to the Underwriter as to the truth of the statements therein contained.

(k) The Issuer has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is a bond issuer whose arbitrage certifications may not be relied upon.

(l) The Issuer will not knowingly take or omit to take any action, which action or omission will in any way cause the proceeds from the sale of the Bonds to be applied in a manner other than as provided in the Indenture or which would cause the interest on the Bonds to be includable in gross income for federal income tax purposes.

(m) The audited general purpose financial statements of the Electric Department of the Issuer (the "Department") as of December 31, 2009, and for the year then ended, and the unaudited financial statements of the Department as of December 31, 2010, and for the year then ended, included in the Official Statement, present fairly the financial position of the Issuer as of the dates indicated and the results of the Issuer's operations for the periods specified, and such financial reports and statements have been prepared in conformity with generally accepted accounting principles consistently applied in all material respects to the periods involved, except as otherwise stated in the notes thereto. There has been no material change in the general affairs, management, properties, financial position, capitalization, or results of operation of the Issuer since the date of such financial statements except as set forth in the Final Official Statement.

5. The Issuer covenants with the Underwriter as follows:

(a) The Issuer will cooperate with the Underwriter in qualifying the Bonds for offer and sale under the securities or Blue Sky laws of such jurisdictions of the United States as the Underwriter may request; provided, however, that the Issuer shall not be required to consent to suit or to service

of process in any jurisdiction. The Issuer consents to the use by the Underwriter in the course of its compliance with the securities or Blue Sky laws of the various jurisdictions of the documents relating to the Bonds, subject to the right of the Issuer to withdraw such consent for cause by written notice to the Underwriter.

(b) Prior to the earlier of (1) receipt of notice from the Underwriter pursuant to Section 3(c) hereof that Final Official Statements are no longer required under the Rule or (ii) 90 days after the Closing, the Issuer shall provide the Underwriter with such information regarding the Issuer, the Revenues, and the Utility's current financial condition and the ongoing operations of the Issuer and the Revenues as the Underwriter may reasonably request.

(c) The Issuer covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the "Continuing Disclosure Agreement") to provide ongoing disclosure about the Issuer, the Department, and the Revenues for the benefit of the Bondholders on or before the date of delivery of the Bonds as required by Section (b)(5)(i) of the Securities and Exchange Commission Rule 15c2-12 under the Securities Act of 1934, as amended (17 C.F.R. Part 240, 240.15c2-12) (the "Rule"), which undertaking shall be an agreement between the Issuer and the Trustee for the benefit of the Bondholders pursuant to the Indenture, and in the form as summarized in the Official Statement, with such changes as may be agreed to in writing by the Underwriter.

6. At 10:00 a.m. on May __, 2011 (the "Closing Date") or at such other time and/or date as shall have been mutually agreed upon by the Issuer and the Underwriter, the Issuer will deliver, or cause to be delivered, to the Underwriter the Bonds, in definitive form duly executed and authenticated by the Trustee, together with the other documents hereinafter mentioned; and the Underwriter will accept such delivery and pay the Purchase Price of the Bonds by making a wire transfer in federal funds payable to the order of the Trustee for the account of the Issuer (the "Closing").

Provided, however, that in any event, the Bonds shall be delivered to The Depository Trust Company in New York, New York and the activities relating to the final execution and delivery of all documents related to the Bonds and the payment for the Bonds and the delivery of the certificates, opinions, and other instruments as described in Section 8 of this Purchase Agreement shall occur at Little Rock, Arkansas. The Bonds will be delivered as definitive registered Bonds initially in the denomination of \$5,000 each or any integral multiple thereof, and registered in the name of Cede & Co. or in such names and in such amounts as the Underwriter may request not less than two business days prior to the Closing, and will be made available for checking and packaging by the Underwriter at such place in New York, New York as the Underwriter and the Trustee shall agree not less than 24 hours prior to the Closing.

7. The Underwriter shall have the right to cancel its obligation to purchase the Bonds if between the date hereof and the date of Closing:

(i) a tentative decision with respect to legislation shall be reached by a committee of the House of Representatives or the Senate of the Congress of the United States, or legislation shall be favorably reported or re-reported by such a committee or be introduced, by amendment or otherwise, in or be passed by the House of Representatives or the Senate, or recommended to the Congress of the United States for passage by the President of the United States, or be enacted or a decision by a federal court of the United States or the United States Tax Court shall have been

rendered, or a ruling, release, order, regulation, or official statement by or on behalf of the United States Treasury Department, the Internal Revenue Service, or other Governmental agency shall have been made or proposed to be made having the purpose or effect, or any other action or event shall have occurred which has the purpose or effect, directly or indirectly, of adversely affecting the federal income tax consequences of owning the Bonds or of any of the transactions contemplated in connection herewith, including causing interest on the Bonds to be included in gross income for purposes of federal income taxation, or imposing federal income taxation upon revenues or other income of the general character to be derived by the Issuer or by any similar body under the Issuer Documents or similar documents or upon interest received on obligations of the general character of the Bonds, or the Bonds, which, in the opinion of the Underwriter, materially adversely affects the market price of or market for the Bonds; or

(ii) legislation shall have been enacted, or actively considered for enactment with an effective date prior to the Closing, or a decision by a court of the United States shall have been rendered, the effect of which is that the Bonds, including any underlying obligations, or the Indenture, as the case may be, is not exempt from the registration, qualification, or other requirements of the Securities Act of 1933, as amended and as then in effect, the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect; or

(iii) a stop order, ruling, regulation, or official statement by the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made or any other event occurs, the effect of which is that the issuance, offering, or sale of the Bonds, including any underlying obligations, or the execution and delivery of the Indenture as contemplated hereby or by the Official Statement, is or would be in violation of any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect; or

(iv) any event shall have occurred or any information shall have become known to the Underwriter which causes the Underwriter to reasonably believe that the Official Statement as then amended or supplemented includes an untrue statement of a material fact, or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; or

(v) there shall have occurred any outbreak of hostilities or any national or international calamity or crisis, including a financial crisis, the effect of which on the financial markets of the United States is such as, in the reasonable judgment of the Underwriter, would materially adversely affect the market for or market price of the Bonds; or

(vi) there shall be in force a general suspension of trading on the New York Stock Exchange, the effect of which on the financial markets of the United States is such as, in the reasonable judgment of the Underwriter, would materially adversely affect the market for or market price of the Bonds; or

(vii) a general banking moratorium shall have been declared by federal, New York, or State authorities; or

(viii) any proceeding shall be pending or threatened by the Securities and Exchange Commission against the Issuer; or

(ix) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange; or

(x) the New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose, as to the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter.

8. The obligation of the Underwriter to purchase the Bonds shall be subject (a) to the performance by the Issuer of its obligations to be performed hereunder at and prior to the Closing, (b) to the accuracy of the representations and warranties of the Issuer herein as of the date hereof and as of the Closing Date, and (c) to the following conditions, including the delivery by the Issuer of such documents as are enumerated herein in form and substance satisfactory to the Underwriter:

(a) At the Closing Date, (i) the Official Statement and the Issuer Documents shall be in full force and effect and shall not have been amended, modified, or supplemented from the date hereof except as may have been agreed to in writing by the Underwriter, (ii) the proceeds of the sale of the Bonds shall be deposited and applied as described in the Indenture, and (iii) the Issuer shall have duly adopted and there shall be in full force and effect such ordinances and resolutions as, in the opinion of Rose Law Firm, a Professional Association, as bond counsel ("Bond Counsel"), shall be necessary in connection with the transactions contemplated hereby.

(b) Receipt of the Bonds and the Issuer Documents at or prior to the Closing Date. The terms of the Bonds, as delivered, shall in all instances be as described in the Final Official Statement.

(c) At or prior to the Closing Date, the Underwriter shall receive the following documents in such number of counterparts as shall be agreeable to the Underwriter:

(1) A final approving opinion of Bond Counsel dated the Closing Date, in substantially the form set forth in Exhibit B hereto.

(2) An opinion of the City Attorney of the Issuer dated the Closing Date, addressed to the Underwriter, in substantially the form set forth in Exhibit C hereto.

(3) Evidence that the Bonds are on a parity of security as to the Revenues with the 1992 Bonds and the 1997 Bonds.

(4) The Final Official Statement executed on behalf of the Issuer by a duly authorized officer.

(5) Certified copies of all ordinances and resolutions of the Issuer relating to the Bonds.

(6) A photocopy of Bond No. R-1, fully executed and authenticated.

(7) A certificate, in form and substance satisfactory to the Underwriter, of any duly authorized officer or official of the Issuer satisfactory to the Underwriter, dated as of the Closing Date, to the effect that: (i) each of the Issuer's representations, warranties, and covenants contained herein are true and correct as of the Closing Date; (ii) the Issuer has authorized, by all action necessary under the Act and the laws and Constitution of the State, the adoption of the Ordinance, the execution, delivery, and due performance of the Bonds and the Issuer Documents, and the charge and pledge of the Revenues; (iii) no litigation is pending, or to the knowledge of the officer or official of the Issuer signing the certificate after due investigation and inquiry threatened, to restrain or enjoin the issuance or sale of the Bonds or in any way affecting any authority for or the validity of the Ordinance, the Bonds, the charge and pledge of the Revenues, and the Issuer Documents; and (iv) the Bonds and the Issuer Documents, as executed by the Issuer, are in the form or in substantially the form approved for such execution by appropriate proceedings of the Issuer.

(8) Evidence that Federal Form 8038-G has been executed by the Issuer and filed in due course with the Internal Revenue Service.

(9) Such additional legal opinions, certificates, proceedings, instruments and other documents as Bond Counsel or Counsel to the Issuer may reasonably request to evidence compliance by the Issuer with legal requirements, the truth and accuracy, as of the time of Closing, of the representations of the Issuer herein contained, and the due performance or satisfaction by the Issuer at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer.

If the Issuer shall be unable to satisfy the conditions to the obligations of the Underwriter contained in this Bond Purchase Agreement, or if the obligations of the Underwriter to purchase and accept delivery of the Bonds shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and neither the Underwriter nor the Issuer shall be under further obligation hereunder; except that the respective obligations to pay expenses, as provided in Section 11 hereof, shall continue in full force and effect.

9. The obligations of the Issuer hereunder are subject to the performance by the Underwriter of its obligations hereunder.

10. All representations, warranties, and agreements of the Issuer shall remain operative and in full force and effect, regardless of any investigations made by or on behalf of the Underwriter or the Issuer, and shall survive the Closing. The obligations of the Issuer under Section 11 hereof shall survive any termination of this Bond Purchase Agreement by the Underwriter pursuant to the terms hereof.

11. The Issuer, to the extent permitted by law, agrees to indemnify and hold harmless the Underwriter, and each person, if any, who controls (as such term is defined in Section 15 of the Securities Act of 1933, as amended) the Underwriter against any and all losses, claims, damages, and liabilities of any kind, including the expenses of defense thereof, (i) arising out of any statement or information contained in the Official Statement relating to the Issuer, the Bonds, security for the Bonds, the Revenues, use of Bond proceeds, and the description of all documents and agreements to which the Issuer is a party that is untrue or incorrect in any material respect or the omission from

the Official Statement of any statement or information relating, to the Issuer, the Bonds, security for the Bonds, the Revenues, use of Bond proceeds, and the description of all documents and agreements to which the Issuer is a party, which is necessary to make the statements therein not misleading in any material respect, and (ii) to the extent of the aggregate amount paid in settlement of any litigation commenced or threatened arising from a claim based upon any such untrue statement or omission if such settlement is effected with the written consent of the Issuer (which consent shall not be unreasonably withheld). In case any claim shall be made or action brought against the Underwriter or any controlling person (as aforesaid) based upon the Official Statement, in respect of which indemnity may be sought against the Issuer, the Underwriter shall promptly notify the Issuer in writing setting forth the particulars of such claim or action, and the Issuer shall assume the defense thereof, including the retaining of counsel and the payment of all expenses. The Underwriter or any such controlling person shall have the right to retain separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the Underwriter's expense or the expense of such controlling person unless the retaining of such counsel has been specifically authorized by the Issuer.

12. The Issuer will pay or cause to be paid all reasonable expenses incident to the performance of its obligations under this Bond Purchase Agreement, including, but not limited to, mailing or delivery of the Bonds, costs of printing the Bonds, the Preliminary and Final Official Statements, any amendment or supplement to the Preliminary Official Statement or Final Official Statement, and this Bond Purchase Agreement, ticket costs and day loan charges, charges for obtaining CUSIP numbers for the Bonds, fees payable to the Depository Trust Company relating to the underwriting of the Bonds, fees and disbursements of Bond Counsel and the Issuer's counsel, fees and expenses of the Issuer's accountants, and fees of the Trustee and any paying agent fees. In the event this Bond Purchase Agreement shall terminate because of the default of the Underwriter, the Issuer will, nevertheless, pay, or cause to be paid, all of the expenses specified above. The Underwriter shall pay all advertising expenses in connection with the public offering of the Bonds and all other expenses incurred by it in connection with its public offering and distribution of the Bonds.

If the Issuer defaults under this Purchase Agreement, the Underwriter may bring whatever legal action they may have against the Issuer to recover damages, if any, incurred by them.

13. Any notice or other communication to be given to the Issuer under this Bond Purchase Agreement may be given by delivering the same in writing at its address set forth above, and any notice or other communication to be given to the Underwriter under this Bond Purchase Agreement may be given by delivering the same in writing to Stephens Inc., 111 Center Street, Suite 2300, Little Rock, AR 72201, Attention: Bobbie Nichols, Senior Vice President.

14. This Bond Purchase Agreement is made solely for the benefit of the Issuer and the Underwriter (including the successors or assigns of the Underwriter) and no other person, including any purchaser of the Bonds, shall acquire or have any right hereunder or by virtue hereof.

15. This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State.

16. This Bond Purchase Agreement shall become effective upon your acceptance hereof and may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

Very truly yours,

Stephens Inc.

By: _____
Bobbie Nichols, Senior Vice President

Accepted and agreed to as of the date first
above written:

City of North Little Rock, Arkansas

By: _____
Patrick H. Hays, Mayor

Exhibit A

Maturities, Interest Rates, and Prices or Yields of the Bonds

Year (May 1)	Principal	Interest Rate	Price
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Exhibit B
Form of Bond Counsel Opinion

May __, 2011

City of North Little Rock
North Little Rock, Arkansas

[Trustee], as Trustee
[Trustee City, State]

Stephens Inc.
Little Rock, Arkansas

Re: [Principal Amount] City of North Little Rock, Arkansas Electric System Capital
Improvement Revenue Bonds, Series 2011

Ladies and Gentlemen:

We have acted as Bond Counsel to the City of North Little Rock, Arkansas (the “Issuer”) in connection with the issuance by the Issuer of its [Principal Amount] Electric System Capital Improvement Revenue Bonds, Series 2011, dated May 1, 2011 (the “Bonds”). In such capacity, we have examined such law and such certified proceedings and other documents as we have deemed necessary to render this opinion.

The Bonds are issued pursuant to the Local Government Capital Improvement Revenue Bond Act of 1985 (the “Act”), Ordinance No. ____ of the Issuer authorizing the Bonds (the “Ordinance”), and a Trust Indenture, dated as of May 1, 2011 (the “Indenture”), between the Issuer and [Trustee], as trustee. In the Indenture, the Issuer has pledged certain revenues (the “Revenues”) for the payment of the principal of and interest on the Bonds when due.

As to questions of fact material to our opinion, we have relied upon the representations of the Issuer contained in the Ordinance and in the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Issuer is a municipal corporation duly and validly existing under the Constitution and laws of the State of Arkansas with the power to adopt the Ordinance, enter into the Indenture and perform the agreements on its part contained therein, and issue the Bonds.

2. The Ordinance has been duly adopted by the Issuer and the Indenture has been duly authorized, executed, and delivered by the Issuer and the Ordinance and the Indenture are valid and binding obligations of the Issuer enforceable upon the Issuer.

3. The Indenture creates a valid lien on the Revenues and other funds pledged by the Indenture for the security of the Bonds. The Bonds will be secured by a lien on System revenues which is on a parity of lien, pledge, and security with the City’s outstanding Electric System Refunding Revenue

Bonds, 1992 Series A, and Electric System Refunding Revenue Bonds, Series 1997. Under certain circumstances, the Issuer may incur other indebtedness on a parity of security as to the Revenues with the 1992 Bonds, the 1997 Bonds, and the Bonds.

4. The Bonds have been duly authorized, executed, and delivered by the Issuer and are valid and binding special obligations of the Issuer, payable solely from the Revenues and other funds provided therefor in the Indenture.

5. Interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; it should be noted, however, that, for the purpose of computing the alternative minimum tax imposed on certain corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds.

We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

6. The interest on the Bonds is exempt from State of Arkansas income taxes and the Bonds are not subject to property taxes in the State of Arkansas.

It is to be understood that the rights of the holders of the Bonds and the enforceability of the Bonds and the Indenture may be subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinions to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

Exhibit C
[Letterhead of City Attorney]

May __, 2011

Stephens Inc.
Little Rock, Arkansas

[Trustee], as Trustee
[Trustee City, State]

City of North Little Rock
North Little Rock, Arkansas

Re: [Principal Amount] City of North Little Rock, Arkansas Electric System Capital
Improvement Revenue Bonds, Series 2011

Ladies and Gentlemen:

I am City Attorney for the City of North Little Rock, Arkansas (the “Issuer”) and have acted as such in connection with the sale of the above-referenced bonds (the “Bonds”), which are being delivered and sold pursuant to a Bond Purchase Agreement dated [BPA Date], between the Issuer and Stephens Inc. Any capitalized term used herein and not defined shall have the meaning assigned to it in the Bond Purchase Agreement.

In this connection, I have reviewed and examined certain proceedings and documents with respect to the Bonds, and such records, certificates and other documents as I have considered necessary or appropriate for the purposes of this opinion, including the Act, the Ordinance, the Issuer Documents, the Preliminary Official Statement dated _____, 2011 (the “Preliminary Official Statement”), and the final Official Statement dated [BPA Date] (the “Official Statement”), with respect to the issuance and offering of the Bonds, and a closing certificate executed by the Mayor of the Issuer. Based on such review and such other considerations of law and fact as we believe to be relevant, I am of the opinion that:

1. The Issuer Documents have been duly and validly authorized, executed, and delivered by the Issuer and the same are in full force and effect as of the date hereof and are the valid and legally binding obligations of the Issuer, enforceable against the Issuer in accordance with their respective terms, except to the extent the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting creditors’ rights generally.

2. The Ordinance authorizing the issuance of the Bonds (the “Ordinance”) was duly adopted on March 15, 2011, at a regular meeting of the City Council of the Issuer which was called and held pursuant to law and in accordance with all applicable open meeting laws and at which a quorum was present and acting at the time of the adoption of the Ordinance, and the Ordinance was adopted by majority vote of all members of the City Council.

3. The execution and delivery by the Issuer of the Issuer Documents do not and will not result in a violation of any provisions of, or in default under, Arkansas statutes organizing and governing

the Issuer or, to the best of my knowledge after diligent inquiry and review of the Issuer's records, any agreement or other instrument to which the Issuer is a party or by which it or its properties are bound.

4. There are no legal or governmental actions, proceedings, inquiries, or investigations pending or threatened by governmental authorities or to which the Issuer is a party or of which any property of the Issuer is subject, except as described in the Official Statement, which, if determined adversely to the Issuer, would individually or in the aggregate (i) materially and adversely affect the validity or the enforceability of the Issuer Documents (ii) otherwise materially or adversely affect the ability of the Issuer to comply with its obligations under the Issuer Documents, or (iii) materially and adversely affect the transactions contemplated by the Official Statement to be engaged in by the Issuer.

5. Based upon my experience City Attorney for the Issuer and on my review of the Official Statement, and after diligent inquiry, I have no reason to believe that the information regarding the Issuer in the Official Statement contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

6. The Issuer has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is a bond issuer whose arbitrage certifications may not be relied upon.

I hereby consent to the references made to me in the Preliminary Official Statement and the Official Statement.

Very truly yours,

C. Jason Carter